

Now you can complete Roger's Schedule C-EZ. Roger had gross receipts of \$10,953 and total expenses of \$2,262. He also provided you the following information on his vehicle:

- Placed in service March 6 of the tax year
- Total business miles = 1,564
- Total personal miles = 0
- Owns a second vehicle for personal use
- Does not use business vehicle for personal use
- Maintains a written log of mileage

Scroll down to complete Parts II and III of Roger's Schedule C-EZ. Remember to round off the amounts you enter to the nearest dollar.

Without closing the PDF Window, return to the lesson screen and click Check My Answer.

**SCHEDULE C-EZ
(Form 1040)**

Department of the Treasury
Internal Revenue Service

Name of proprietor

Net Profit From Business

(Sole Proprietorship)

► Partnerships, joint ventures, etc., must file Form 1065 or 1065-B.

► Attach to Form 1040 or 1041. ► See instructions on back.

OMB No. 1545-0074

2005

Attachment
Sequence No. **09A**

Social security number (SSN)

Part I General Information

**You May Use
Schedule C-EZ
Instead of
Schedule C
Only If You:**

- Had business expenses of \$5,000 or less.
- Use the cash method of accounting.
- Did not have an inventory at any time during the year.
- Did not have a net loss from your business.
- Had only one business as either a sole proprietor or statutory employee.

And You:

- Had no employees during the year.
- Are not required to file **Form 4562**, Depreciation and Amortization, for this business. See the instructions for Schedule C, line 13, on page C-4 to find out if you must file.
- Do not deduct expenses for business use of your home.
- Do not have prior year unallowed passive activity losses from this business.

A Principal business or profession, including product or service

B Enter code from pages C-7, 8, & 9

C Business name. If no separate business name, leave blank.

D Employer ID number (EIN), if any

E Business address (including suite or room no.). Address not required if same as on Form 1040, page 1.

City, town or post office, state, and ZIP code

Part II Figure Your Net Profit

- 1 Gross receipts. Caution.** If this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked, see **Statutory Employees** in the instructions for Schedule C, line 1, on page C-3 and check here ☐
- 2 Total expenses** (see instructions). If more than \$5,000, you **must** use Schedule C.
- 3 Net profit.** Subtract line 2 from line 1. If less than zero, you **must** use Schedule C. Enter on **Form 1040, line 12**, and **also** on **Schedule SE, line 2**. (Statutory employees **do not** report this amount on Schedule SE, line 2. Estates and trusts, enter on Form 1041, line 3.)

Part III Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 2.

- 4** When did you place your vehicle in service for business purposes? (month, day, year) ►/...../.....
- 5** Of the total number of miles you drove your vehicle during 2005, enter the number of miles you used your vehicle for:
- a** Business **b** Commuting (see instructions) **c** Other
- 6** Do you (or your spouse) have another vehicle available for personal use? ☐ **Yes** ☐ **No**
- 7** Was your vehicle available for personal use during off-duty hours? ☐ **Yes** ☐ **No**
- 8a** Do you have evidence to support your deduction? ☐ **Yes** ☐ **No**
- b** If "Yes," is the evidence written? ☐ **Yes** ☐ **No**